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REFERENCE TITLE: **property tax exemption; widows**

State of Arizona  
Senate  
Forty-sixth Legislature  
First Regular Session  
2003

## **SB 1032**

Introduced by  
Senators Jarrett, Martin; Representative Pierce: Senators Blendu, Rios,  
Verschoor, Waring; Representatives Graf, McClure

**AN ACT**

**AMENDING SECTION 42-11111, ARIZONA REVISED STATUTES; RELATING TO PROPERTY TAX EXEMPTIONS.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-11111, Arizona Revised Statutes, is amended to  
3 read:

4 42-11111. Exemption for property of widows, widowers and  
5 disabled persons

6 A. The property of widows, widowers and disabled persons who are  
7 residents of this state is exempt from taxation to the extent allowed by  
8 article IX, sections 2, 2.1, 2.2 and 2.3, Constitution of Arizona, and  
9 subject to the conditions and limitations prescribed by this section.

10 B. Pursuant to article IX, section 2.3, Constitution of Arizona, the  
11 exemptions from taxation under this section are allowed in the amount of:

12 1. Three thousand dollars if the person's total assessment does not  
13 exceed ~~ten~~ TWENTY thousand dollars.

14 2. No exemption if the person's total assessment exceeds ~~ten~~ TWENTY  
15 thousand dollars.

16 C. For the purpose of determining the amount of the allowable  
17 exemption pursuant to subsection B, the person's total assessment shall not  
18 include the value of any vehicle that is taxed under title 28, chapter 16,  
19 article 3.

20 D. Pursuant to article IX, section 2.3, Constitution of Arizona, to  
21 qualify for this exemption, the total income from all sources of the claimant  
22 and the claimant's spouse and the income from all sources of all of the  
23 claimant's children who resided with the claimant in the claimant's residence  
24 in the year immediately preceding the year for which the claimant applies for  
25 the exemption shall not exceed:

26 1. Thirteen thousand two hundred dollars if none of the claimant's  
27 children under eighteen years of age resided with the claimant in the  
28 claimant's residence.

29 2. Eighteen thousand eight hundred forty dollars if one or more of the  
30 claimant's children residing with the claimant in the claimant's residence  
31 was either:

32 (a) Under eighteen years of age.

33 (b) Totally and permanently, physically or mentally disabled, as  
34 certified by competent medical authority as provided by law.

35 E. For the purposes of subsection D, "income from all sources" means  
36 the sum of the following, but excluding the items listed in subsection F:

37 1. Adjusted gross income as defined by the department.

38 2. The amount of capital gains excluded from adjusted gross income.

39 3. Nontaxable strike benefits.

40 4. Nontaxable interest that is received from the federal government or  
41 any of its instrumentalities.

42 5. Payments that are received from a retirement program and paid by:

43 (a) This state or any of its political subdivisions.

44 (b) The United States through any of its agencies, instrumentalities  
45 or programs, except as provided in subsection F.

1           6. The gross amount of any pension or annuity that is not otherwise  
2 exempted.

3           F. Notwithstanding subsection E, "income from all sources" does not  
4 include monies received from:

- 5           1. Cash public assistance and relief.
- 6           2. Railroad retirement benefits.
- 7           3. Payments under the federal social security act (49 Stat. 620).
- 8           4. Payments under the unemployment insurance laws of this state.
- 9           5. Payments from veterans disability pensions.
- 10          6. Workers' compensation payments.
- 11          7. "Loss of time" insurance.
- 12          8. Gifts from nongovernmental sources, surplus foods or other relief  
13 in kind supplied by a governmental agency.

14          G. The exemption described by this section applies independently to:

15          1. The assessed valuation determined for secondary property tax  
16 purposes from the full cash value of the property and improvements owned by  
17 the individual.

18          2. The assessed valuation determined for primary property tax purposes  
19 from the limited property value of the property and improvements owned by the  
20 individual.

21          H. Any dollar amount of exemption that is unused in a tax year against  
22 the limited property value of property and improvements owned by the  
23 individual may be applied for the tax year against the value of personal  
24 property subject to special property taxes including the taxes collected  
25 pursuant to title 5, chapter 3, article 3 and title 28, chapter 16, article  
26 3.

27          I. An individual is not entitled to property tax exemptions in the  
28 aggregate that exceed the maximum allowed to a widow, widower or disabled  
29 person even if the person is eligible for an exemption in more than one  
30 category.